

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

ERBO PROPERTIES, LLC, *et al.*¹,

Debtors.

Chapter 11

Case No. 23-10210 (LGB)

Jointly Administered

SCHEDULING ORDER WITH RESPECT TO HEARING ON DISCLOSURE

STATEMENT AND OTHER RELATED MATTERS

WHEREAS, on February 21, 2023, Erbo Properties LLC (“Erbo” or “Debtors”), one of the debtors and debtors-in-possession in the above-captioned Chapter 11 cases, filed the *Debtor Erbo Properties LLCs Motion for Entry of an Order (I) Rejecting: (A) Development Management Agreement with Higher Ground 541 LLC, and (B) Construction Management Agreement with Cauldwell Wingate Company, LLC; (II) Fixing a Bar Date for Claims of Counterparties to the Rejected Contracts; and (III) Granting Related Relief* (the “Motion to Reject”) [ECF 13]; and

WHEREAS, on April 18, 2023, 541 W 21 SME LLC (“SME”) filed the *Motion of 541 W 21 SME LLC for an Order Terminating the Automatic Stay Pursuant to 11 U.S.C. § 362 and Other Related Relief* (the “Motion to Lift Stay”) [ECF 54]; and

WHEREAS, on April 21, 2023, Erbo filed the *Debtor’s Motion to Enter into Agreements with Irving Oak Management and Mabe Group Inc. to Complete Construction of the Debtor’s Project Located at 541 West 21st Street, New York, NY* (the “Motion to Enter into Agreements”) [ECF 57]; and

¹ The Debtors are ERBO Properties LLC (EIN x9179), Case No.: 23-10210, with a mailing address at 551 Bedford Avenue, Brooklyn, NY 11211; KOVA 521, LLC (EIN x9972), Case No.: 23-10211, with a mailing address at 551 Bedford Avenue, Brooklyn, NY 11211; and Gold Mezz LLC (EIN x4741), Case No.: 23-10212, with a mailing address at 551 Bedford Avenue, Brooklyn, NY 11211

WHEREAS, on May 10th and May 22nd, 2023, the Court held hearings on the Motion to Reject and the Motion to Enter into Agreements; and

WHEREAS, on June 6th, 2023, the Court held a final hearing (the “June 6th Hearing”) on the Motion to Lift Stay and

WHEREAS, on June 7th, 2023, the Court granted, in part, the Motion to Lift Stay by entering the *Order Modifying the Automatic Stay Pursuant to 11 U.S.C. § 362 and Continuing the Hearing on the Motion of 541 W 21 SME LLC for an Order Terminating the Automatic Stay Pursuant to 11 U.S.C. § 362 and Other Related Relief* (the “Lift Stay Order”) [ECF 98]; and

WHEREAS, on May 15th, 2023, Erbo filed the *Debtors’ Joint Consolidated Plan of Reorganization* (the “Debtors’ Reorganization Plan”) [ECF 85] and the *Debtors’ Disclosure Statement to Accompany Their Joint Consolidation Plan of Reorganization Dated May 15, 2023* (the “Debtors’ Disclosure Statement”) [ECF 86]; and

WHEREAS, on June 21st, 2023, Higher Ground 541 LLC (“Higher Ground”) filed the *Higher Ground 541 LLC’s Objection to the Debtor’s Disclosure Statement* (the “Higher Ground Objection”) [ECF 100]; and

WHEREAS, on June 21st, 2023, Cauldwell-Wingate Company, LLC (“Cauldwell”) filed the *Objection of Cauldwell-Wingate Company, LLC to Debtors’ Disclosure Statement Filed in Connection with Their Proposed Joint Plan of Reorganization* (the “Cauldwell Objection”) [ECF 101]; and

WHEREAS, on June 21st, 2023, G4 18190, LLC (“G4”), filed the *Objection of G4 18190 LLC to Debtors’ Disclosure Statement* (the “G4 Objection”) [ECF 102]; and

WHEREAS, on June 21st, 2023, SME filed the *541 W 21 LLC's Objection to the Debtors' Disclosure Statement to Accompany Their Joint Consolidated Plan of Reorganization Dated May 15, 2023* (the "SME Objection") [ECF 104]; and

WHEREAS, on June 26th, 2023, the Court held a discovery conference where the parties discussed discovery in connection with the Debtors' Disclosure Statement. At the discovery conference, the parties agreed that the hearing scheduled for June 28, 2023, on the Debtors' Disclosure Statement would instead be a status conference (the "Conference"); and

WHEREAS, the Court having held the Conference on June 28th, 2023, at 10:00 a.m. (ET).

IT IS HEREBY:

1. **ORDERED** that the Debtors shall have until June 30th, 2023, at 5:00 p.m.(ET) to provide the objecting parties to the Disclosure Statement and to file with the Court (a) an appraisal of the real property owned by Erbo Properties,LLC which the Debtors intend to introduce into evidence with respect to the amended plan of reorganization and the amended disclosure statement or in the alternative, a writing stating that the Debtors intend to rely on the appraisal previously filed with the Court by SME and (b) a list of the Debtors' witnesses for the July 12, 2023 hearing with respect to the amended disclosure statement; and it is further

2. **ORDERED** that the Debtors shall have until July 6th, 2023, at 5:00 pm (ET) to file an amended plan of reorganization and amended disclosure statement with the Court; and it is further

3. **ORDERED** that the Court will hold a discovery conference with respect to discovery in connection with the amended disclosure statement on July 7th, 2023, at 8 a.m. (ET) on Zoom for Government; and it is further

4. **ORDERED** that any objections or responses to the approval of the amended disclosure statement must be filed and served by no later than July 11th, 2023, at 4:00 pm (ET); and it is further

5. **ORDERED** that the Debtors are not authorized to file a written reply to such objections and responses in advance of the hearing on the amended disclosure statement; and it is further

6. **ORDERED** that the hearing on the Debtors' Disclosure Statement is adjourned to July 12th, 2023, at 10:00 a.m. (ET) on Zoom for Government and will take place with respect to the amended disclosure statement; and it is further

7. **ORDERED** that the hearing set forth in the Lift Stay Order regarding SME's request for the taking of or conveyance of the Pledged Interests, as defined in the Motion to Lift Stay, shall be adjourned to July 12th, 2023, at 10:00 a.m. (ET) on Zoom for Government; and it is further

8. **ORDERED** that the hearing on the Motion to Reject and the Motion to Enter into Agreements is further adjourned to July 12th, 2023, at 10:00 a.m. (ET) on Zoom for Government; and it is further

9. **ORDERED** that this order may not be modified, or the dates herein extended, except by further order of this Court for good cause shown.

Dated: New York, New York
June 28, 2023

/s/ Lisa G. Beckerman
HON. LISA G. BECKERMAN
U.S. BANKRUPTCY JUDGE